



During the 2000-2001 benefit year, families enrolled in the Healthy Families Program (HFP) paid the maximum annual health benefit copayment amount of \$250. This represents less than one tenth of one percent (.079%) of the total number of HFP families enrolled during the 2000/2001 benefit year.

The design of the HFP benefits package requires subscribers to pay \$5 copayments for certain benefits at the time services are provided. Health services that require copayments include physician office visits, prescription drugs, outpatient mental health and substance abuse services, acupuncture, chiropractic and biofeedback services. Dental services that require copayments include major procedures such as root canals, crowns and bridges. Vision services (eye examinations and prescription glasses) require copayments.

There are many benefits that are provided which do not require copayments. These health and dental services include:

- Preventative health services, immunizations
- Inpatient care
- Preventative dental care
- Restorative dental procedures (fillings and x-rays)

Federal law limits the out-of-pocket expenses that may be charged to families to no more than 5 percent of household income for families above 150% of the federal poverty level (fpl). For families with household incomes up to 150% fpl, out-of-pocket expenses are limited to "reasonable amounts as approved by the Secretary of Health and Human Services". California Insurance Code, Section 12693.615 further restricts the amount of copayments to no more than \$250 per year per family for health benefits.

Participating health plans report annually on the number of families who meet the \$250 copayment maximum for the previous benefit year. Participating dental and vision plans are required to report the number of subscribers who pay copayments.

This report provides information on how many families reached the \$250 annual maximum copayment during the July 1, 2000 to June 30, 2001 benefit year.



The total number of HFP subscribers enrolled at any time during the 2000/2001 benefit year was 569,817. These subscribers belonged to 298,567 families who were members of 26 health plans participating in the HFP.



The total number of families reaching the \$250 health benefit copayment limit was . The total number of children in these families equaled . Approximately of families met the maximum HFP copayment requirement during the 2000/2001 benefit year.



Of the 26 participating health plans, eight had at least one family who reached the maximum \$250 dollar limit, while 18 health plans had no subscribers reaching the copayment limit.



In the 1999/2000 benefit year of all families reached the copayment maximum. While the 2000/2001 level of . remains less than one tenth of 1 percent, it represents a doubling on the 1999/2000 rate.

Plan Name	Number of Families Reaching \$250 Health Copayment Maximum	Number of Children Within Families Reaching \$250 Copayment Maximum
Kaiser Permanente	174	424
Blue Shield HMO	39	82
Kern Health Systems	6	17
Blue Cross HMO	6	11
Ventura County Health Care	5	18
Alameda Alliance for Health	2	7
Health Plan of San Joaquin	2	3
Inland Empire Health Plan	1	2

Health, dental and vision plan copayment data was linked with demographic data from the HFP enrollment database. MRMIB generated demographic views for all children and families who reached the \$250 copayment maximum.

Family Income

Of the families that reached the \$250 copayment maximum, families incurred vision copayments, families incurred dental copayments and families incurred both dental and vision copayments. The following table provides the income profile of the *average family who reached the \$250 health copayment limit* and paid a dental and/or vision copayment during the 2000/2001 benefit year.

Category	Number of Families	Average Annual Income	Average Total HFP Premiums plus Copayments	% of Annual Income
Incurred Vision Copayments	75	\$33,037	\$448	1.36%
Incurred Dental Copayments	12	\$34,302	\$480	1.40%
Incurred Dental and Vision Copayments	4	\$35,460	\$491	1.38%

The average number of children was 2.8 and the average family size was 4.2 for those families reaching the \$250 copayment maximum.

Families reaching the \$250 copayment maximum increased from in benefit year 1999/2000 to in benefit year 2000/2001. The majority of the change occurred in the Kaiser Permanente health plan (29 to 174).

Of the 235 families who reached the copayment maximum, total out-of-pocket expenditures *increased* by \$25 over benefit year 1999/2000, while average incomes increased by \$633. Average out-of-pocket expense as a percent of household income was compared to in the 1999/2000 benefit year. These figures provide validation for the federal “reasonableness” requirement.

Of the 235 families, 36 percent were at or below 150% (fpl) 38 percent between 150% and 200% (fpl) and 26 percent above 200% (fpl).

Ethnicity and Primary Language

The tables below compare ethnicity and language characteristics of the 235 families who met the \$250 annual copayment limit to those of the overall HFP population during 2000/2001 benefit year.

Ethnicity	Families at \$250	HFP Population
Latino	43%	67%
White	27%	15%
Asian/Pacific Islander	17%	13%
African American	4%	3%
Other	7%	2%

Language	Families at \$250	HFP Population
English	67%	50%
Spanish	26%	40%
Asian (Chinese, Korean, Vietnamese)	4%	8%
Other	3%	2%

The copayment requirements of HFP families are within the range of out-of-pocket expenses required by federal law. No family with a household income between 150% - 200% fpl paid at or over 5% of income for health insurance copayments. For families that reached the \$250 annual copayment limit with household incomes below 150% fpl, out-of-pocket expenses for premiums and copayments averaged less than of income.